

Fiscal Estimate - 2013 Session

☒ Original ☐ Updated ☐ Corrected ☐ Supplemental

LRB Number 13-1689/1	Introduction Number AB-0508
Description Permitting a funeral establishment to be located in a cemetery, prohibiting discrimination against a funeral establishment that has no relationship with a cemetery, prohibiting discrimination against a cemetery that has no relationship with a funeral establishment, and eliminating a property tax exemption for cemetery authority property	
Fiscal Effect State: <div style="display: flex; flex-wrap: wrap;"><div style="width: 33%;"><input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations</div><div style="width: 33%;"><input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues</div><div style="width: 33%;"><input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decrease Costs</div></div> Local: <div style="display: flex; flex-wrap: wrap;"><div style="width: 33%;"><input checked="" type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs 3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory</div><div style="width: 33%;">5. Types of Local Government Units Affected <div style="display: flex; flex-wrap: wrap;"><div style="width: 33%;"><input type="checkbox"/> Towns <input type="checkbox"/> Counties <input type="checkbox"/> School Districts</div><div style="width: 33%;"><input type="checkbox"/> Village <input type="checkbox"/> Others <input type="checkbox"/> WTCS Districts</div><div style="width: 33%;"><input type="checkbox"/> Cities</div></div></div></div>	

Fiscal Estimate Narratives

DOR 11/26/2013

LRB Number	13-1689/1	Introduction Number	AB-0508	Estimate Type	Original
Description					
Permitting a funeral establishment to be located in a cemetery, prohibiting discrimination against a funeral establishment that has no relationship with a cemetery, prohibiting discrimination against a cemetery that has no relationship with a funeral establishment, and eliminating a property tax exemption for cemetery authority property					

Assumptions Used in Arriving at Fiscal Estimate

The bill makes several changes to current law concerning cemeteries and funeral establishments. The only part of the bill pertinent to the Department of Revenue (DOR) is Section 1, which amends the property tax exemption for cemeteries.

Under current law, a funeral director is prohibited from operating a funeral establishment in a cemetery. Under the bill, this prohibition is repealed.

The bill amends the property tax exemption for cemeteries so that it does not apply to a funeral establishment located in a cemetery. The bill effectively leaves funeral establishments on the property tax roll, regardless of whether or not they are located in a cemetery. The DOR does not have information which would permit a reasonable estimate of the number of funeral establishments that may be located in a cemetery if the prohibition on such location under current law is repealed.

Based on a sample of funeral homes in Wisconsin, the average assessed value in 2012 was approximately \$413,000. At the statewide tax rate of \$20.64 per \$1,000 equalized value, the average tax assessed on a Wisconsin funeral home is approximately \$8,500. The property tax shift resulting from the repeal of the prohibition would depend on value of the land in the cemeteries occupied by a funeral home and the number of funeral homes established in cemeteries.

The DOR will incur administrative costs as a result of the bill. These costs can be absorbed in current budgetary resources.

Long-Range Fiscal Implications